



HAWAII STATE ETHICS COMMISSION

State of Hawai'i · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawai'i 96813

August 24, 2023

Via-Email: richard.j.louis@hawaii.gov

Mr. Richard J. Louis
Acting Administrator
Central Services Division
Department of Accounting and General Services

Re: Request for a Good Cause Exception to Nepotism Prohibition
(OTH-23-00366)

Dear Mr. Louis:

Thank you for contacting our office to request a good cause exception to the Nepotism Law. You are the Acting Administrator for the Department of Accounting and General Services ("DAGS"), Central Services Division ("CSD"). You requested a good cause exception with respect to your brother, Stanley Louis, who is currently employed on a temporary basis as a building engineer. Based on the information provided and the unique circumstances presented here, it is our opinion that good cause exists to grant a limited waiver through November 30, 2023.

Act 261, the Nepotism Law, prohibits state employees from taking employment and contracting actions affecting relatives or household members. Employment action includes such things as hiring, evaluating, demoting, or supervising a relative or household member. The law further provides that the Ethics Commission may grant an exception where good cause is shown, such as a demonstrated lack of qualified employees or candidates.¹

In this case, CSD is responsible for a variety of centralized services including the following: maintenance and repair of state buildings and facilities; state mail and messenger services; custodial services in state public buildings and health centers; and grounds maintenance and beautification projects on state property and facilities. CSD currently has several vacant positions, including an engineer position that has been vacant since January 2022.

Like many other state agencies, CSD has experienced ongoing difficulty in filling these types of positions due to the lack of available applicants who possess a valid State of Hawai'i professional engineer license and the requisite years of experience. To address the

¹ The Nepotism Law is available here: [Act 261 \(2023\)](#). For more information, please refer to the quick guides posted on the Ethics Commission's website: [Nepotism Quick Guide](#).

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current shortage, Stanley Louis (who is a licensed professional engineer) was hired on a temporary basis in December 2022, through an 89-day non-civil service appointment. You requested a limited exception to the Nepotism Law through November 30, 2023, to allow CSD sufficient time to recruit other qualified candidates and fill the position via the civil service process.

The purpose of the Nepotism Law is to eliminate favoritism in hiring and employment decisions, promote public confidence in state employees and state government, and prevent abuses of power by prohibiting state officials and employees from using their positions to benefit family members. Given the strong public policy supporting the law, the Ethics Commission believes that exceptions should rarely be granted. In this case, however, we believe a limited waiver should be granted due to the lack of qualified licensed engineering candidates and the current staffing shortages within CSD.

To mitigate potential conflicts, you indicated that other CSD managers and supervisory staff have been assigned to oversee Mr. Louis during the interim period and that you would voluntarily recuse yourself from taking direct supervisory action to the extent feasible. In addition, CSD will be increasing its recruitment and outreach efforts to fill the positions in the near future. Therefore, based on your representations and the unique circumstances presented here, the Ethics Commission agrees to grant you a limited waiver through November 30, 2023.

Finally, you should be aware of an additional section of the State Ethics Code. Haw. Rev. Stat. § 84-13(a) prohibits state employees from using their state positions to grant themselves or anyone else any unwarranted benefit or advantage. State employees who work alongside relatives must be extremely careful not to accord their relatives any special treatment.

Thank you for your request for an exemption. This letter is based on the information we have received with respect to your request. If any of this information is inaccurate, please inform us as soon as possible as this may affect our decision.

If you have questions or would like to discuss this matter further, please contact me at 587-0460.

Sincerely,

s/ Bonita Chang

Bonita Chang
Compliance Director